

LAND CLEARANCE FOR REDEVELOPMENT AUTHORITY BOARD MEETING AMENDED AGENDA

DATE: October 28, 2020

TIME: 9:30 a.m.

PLACE: 300 Wyandotte, 4th Floor

Kansas City, Missouri

VIA VIDEO CONFERENCE

Meeting ID: 928 9628 0131

Passcode: 633510

To Join Online: https://zoom.us/j/92896280131

To Join by Phone:

1-312-626-6799 1-346 248 7799

- 1. Roll Call.
- 2. Administrative Review and approval of Meeting Minutes for September 30, 2020 (Ex. 2)

ACTION RECOMMENDED: APPROVAL OF THE MINUTES FOR SEPTEMBER 30, 2020, AS PRESENTED

3. <u>Financial</u> - Review and acceptance of the Financial Report for September, 2020 (Lee Brown) (Ex. 3)

ACTION RECOMMENDED: ACCEPTANCE OF THE FINANCIAL REPORT FOR SEPTEMBER, 2020, AS PRESENTED

4. <u>Linwood-Prospect URA</u> – Consideration of Non-Disturbance and Attornment Agreement (Brian Engel) (Ex. 4A-4B)

LCRA owns the property known as the Linwood Square Shopping Center generally located on the east side of Prospect Avenue between E. 30th Street on the north and E. Linwood Boulevard on the south. LCRA leases the land to Linwood Center Redevelopment Company, LLC ("Developer"), a Missouri limited liability company, pursuant to the Ground Lease and the Redevelopment Contract (each dated February 14, 1992), which LCRA assigned to the Developer, and the Developer assumed, by the Assignment, Assumption and Amendment of Ground Lease and Redevelopment Contract dated January 31, 2017.

The Developer has secured financing to move forward with its rehabilitation of the shopping center. As part of the project, the Developer seeks to enter into a sublease

with Wedevelopment Federal Credit Union and is requesting that LCRA approve a Non-Disturbance and Attornment Agreement among LCRA, the Developer and Wedevelopment Federal Credit Union.

ACTION RECOMMENDED: APPROVE NON-DISTURBANCE AND ATTORNMENT AGREEMENT.

5. <u>Walnut Grove Apartments Urban Renewal Area</u> – Consideration of Termination of the Urban Renewal Plan (Bob Long)

The Walnut Grove Apartments Urban Renewal Plan was approved by Committee Substitute for Ordinance No. 000469 by the City Council on May 18, 2000 with a twenty-year (20) term. It was subsequently Amended & Restated by the Authority on May 24, 2000, which did not require the approval of City Council. The Plan Area is generally bound by NE 37th Street on the north, N. Walrond Avenue on the east, NE Winn Road on the south, and NE Antioch Road on the west, in Clay County in Kansas City's Northland. The Plan was intended to revitalize the Plan Area through the rehabilitation of 184 units of affordable housing by Walnut Grove Apartments, LP, an affiliate of Cohen–Esrey Housing Partners, LLC, an established and accomplished affordable multifamily housing developer. This project was facilitated through a sales/leaseback with the Authority.

The Walnut Grove Apartments were acquired and rehabilitated, as proposed, and have provided affordable housing throughout the term of the sale/leaseback arrangement with the developer. The Authority approved the termination of the sale/leaseback arrangement in November 2019; this transaction has recently been completed. The Walnut Grove Apartments URA was set to expire on May 18, 2020.

If the Authority approves the proposed Termination, the City Council is expected to consider an ordinance terminating the Walnut Grove Apartments Urban Renewal Plan.

ACTION RECOMMENDED: APPROVE THE TERMINATION TO THE WALNUT GROVE APARTMENTS URBAN RENEWAL PLAN AND FORWARD THE RECOMMENDATION TO CITY COUNCIL.

6. Administrative

- a. <u>Executive Director's Report</u> Active Projects Tracking System Report (Dan Moye) (Ex. 6A)
 - St. Michael's Veterans Center Project Status Update

ACTION RECOMMENDED: NONE; INFORMATIONAL ONLY

b. **Affirmative Action Report** (Sandra Rayford) (**Ex. 6B**)

ACTION RECOMMENDED: NONE; INFORMATIONAL ONLY

c. <u>Tax Abatements</u> – There were three (3) tax abatements approved in September, 2020.

URA	Address	Applicant	Category	Type
Scarritt Renaissance II	4024 Morrell	PAW, LLC	S/f Residential	Rehab
Manheim Park	4118 Tracy	Cameron & Rebecca Ayers	S/f Residential	New
Oak Park	3326 Indiana	Keoyna Jackson	S/f Residential	Rehab

7. <u>East 23rd Street Urban Renewal Area</u> – *Approve Issuance of Notice of Default* (Bob Long)

The Authority had originally entered into a Sale/Leaseback and Redevelopment Contract with Agent Kensington, LLC in 2003 for the acquisition and rehabilitation of the Kensington Heights apartment tower, located at 1600 Jackson Avenue in the East 23rd Street URA, as affordable housing. On July 27, 2016, the Authority approved the selection of Kensington Heights MO, LLC as the successor Redeveloper for the 126 – units Kensington Heights apartment Tower, now known as Gabriel Tower, for continued use as affordable housing. Millenia Housing controls Kensington Heights MO, LLC and also serves as the management company for this property.

The Authority and LCRA staff have previously received complaints about poor maintenance at the Gabriel Tower in the past, but Millenia provided assurances that the conditions would be remedied. LCRA staff has recently received new complaints and documentation about poor conditions at Gabriel Tower, including broken airconditioning, water leaks, mold, non-functional elevators, and roach infestations. These new complaints mirror the previous complaints.

Staff believes these conditions constitute a breach of contract and, therefore, recommend issuance of a Notice of Default under the terms of the Sale/Leaseback and Redevelopment Contract.

ACTION RECOMMENDED:

DECLARE A BREACH OF CONTRACT AND AUTHORIZE THE ISSUANCE OF A NOTICE OF DEFAULT TO KENSINGTON HEIGHTS MO, LLC FOR THE GABRIEL TOWER PROJECT AT 1600 JACKSON AVENUE IN THE EAST 23RD STREET URBAN RENEWAL AREA.

EXECUTIVE SESSION

8. Consideration of legal, real estate and personnel issues, and other matters related thereto, pursuant to Sections 610.021(1)(2)(3) RSMo.

RESUME BUSINESS SESSION

9. Adjourn.